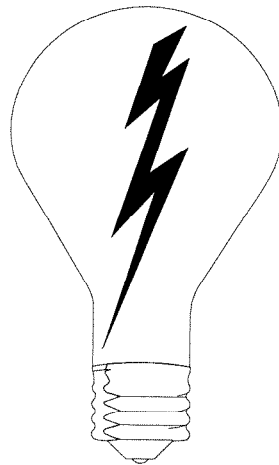


YEAR 1999

ANNUAL REPORT  
OF  
**Black Hills Corporation**

ELECTRIC UTILITY



TO THE  
PUBLIC SERVICE COMMISSION  
STATE OF MONTANA  
1701 PROSPECT AVENUE  
P.O. BOX 202601  
HELENA, MT 59620-2601

**BLACK HILLS CORPORATION**

P.O. BOX 1400 625 NINTH STREET  
RAPID CITY, SOUTH DAKOTA 57709

**RECEIVED**

MAY - 2000

**MONT. P. S. COMMISSION**

**MARK T. THIES**  
**CONTROLLER**

**TELEPHONE**  
**(605) 721-1700**

April 28, 2000

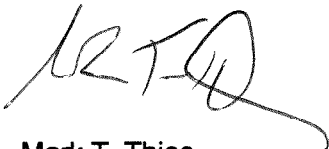
Montana Public Service Commission  
1701 Prospect Ave  
P O Box 202601  
Helena MT 59620-2601

Black Hills Corp  
Chk # 243970  
Chk Amt \$25.00  
Chk Date 4/27/2000  
Initials MT

Dear Sirs:

Enclosed is the 1999 Annual Electric Utility Report for Black Hills Power and Light Company, along with the \$25.00 annual filing fee.

Sincerely,



Mark T. Thies  
Controller

MTT:pac

Enclosures

## IDENTIFICATION

Year: 1999

1.	Legal Name of Respondent:	Black Hills Corporation
2.	Name Under Which Respondent Does Business:	Black Hills Corporation
3.	Date Utility Service First Offered in Montana	23-Feb-68
4.	Address to send Correspondence Concerning Report:	P. O. Box 1400 625 Ninth St. Rapid City SD 57709
5.	Person Responsible for This Report:	Mark T. Thies, Controller
5a.	Telephone Number:	(605) 721-1700

## Control Over Respondent

1. If direct control over the respondent was held by another entity at the end of year provide the following:  
 1a. Name and address of the controlling organization or person:

1b. Means by which control was held:

1c. Percent Ownership:

## SCHEDULE 2

Board of Directors		
Line No.	Name of Director and Address (City, State) (a)	Remuneration (b)
1	Daniel P. Landguth*	
2	Adil M. Ameer	21,542
3	Bruce B. Brundage	22,742
4	David C. Ebertz	23,042
5	John R. Howard	23,342
6	Everett E. Hoyt*	
7	Kay S. Jorgensen	23,942
8	David S. Maney	10,358
9	Thomas J. Zeller	22,142
10		
11		
12	*Officers of the Company -	
13	Not compensated as Directors	
14		
15		
16		
17		
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20		

## Officers

Year: 1999

Line No.	Title of Officer (a)	Department Supervised (b)	Name (c)
1	Chairman of the Board,		Daniel P. Landguth
2	President and CEO		
3			
4	President and Chief		Everett E. Hoyt
5	Operatinfg Officer of the		
6	Utility		
7			
8	Vice President - Finance		Roxann R. Basham
9	and Secretary/Treasurer		
10			
11	President and COO		Gary R. Fish
12	Independent Energy		
13	Business Unit		
14			
15	Vice President -		James M. Mattern
16	Corporate Administration		
17	and Assistant to the CEO		
18			
19	Vice President -		Thomas M. Olhmacher
20	Power Supply		
21			
22	Vice President -		David R. Emery
23	Fuel Resources		
24			
25	Vice President -		Kyle D. White
26	Marketing and Regulatory		
27	Affairs		
28			
29	Controller		Mark T. Thies
30			
31	Sr. Vice President and		Ronald D. Schaible*
32	General Manager		
33	Communications Business		
34	Unit		
35			
36	* Appointed July 1, 1999		
37			
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## CORPORATE STRUCTURE

Year: 1999

	Subsidiary/Company Name	Line of Business	Earnings	Percent of Total
1	Wyodak Resources Development			
2	Corporation	Coal Mining	9,713,574	25.94%
3				
4	Black Hills Power and Light Co.	Utility	27,361,889	73.07%
5				
6	SUBSIDIARIES			
7				
8	Black Hills Exploration &			
9	Production, Inc. (1)	Oil and gas exploration	2,462,466	6.58%
10				
11	Black Hills Generation, Inc. (1)	Exempt wholesale		
12		generator	(108,504)	-0.29%
13				
14	Enserco Energy, Inc. (2)	Energy marketing	2,166,310	5.78%
15				
16	Black Hills Energy Resources, Inc. (2)	Energy marketing	(1,642,493)	-4.39%
17				
18	Black Hills Coal Network, Inc. (2)	Coal marketing	(670,752)	-1.79%
19				
20	Black Hills Energy Pipeline LLC (4)	Energy transportation	(36,818)	-0.10%
21				
22	Black Hills Millenium Pipeline Inc. (4)	Energy transportation	(1,209)	0.00%
23				
24	Black Hills Energy Terminal LLC (4)	Energy transportation	(14)	0.00%
25				
26	Black Hills Millenium Terminal, Inc. (4)	Energy transportation		
27				
28	Daksoft, Inc (1)	Software marketing	72,407	0.19%
29				
30	Black Hills FiberCom, LLC (3)	Communications	(2,361,323)	-6.31%
31				
32	Black Hills Fiber Systems, Inc. (2)	Communications	786,052	2.10%
33				
34	Black Hills Capital Group, Inc. (1)	Corporate development	(295,025)	-0.79%
35				
36	Landrica Development, Inc. (1)	Real estate development	766	0.00%
37				
38				
39	Note 1 - Wholly owned subsidiary			
40	of Wyodak Resources Develp. Corp.			
41				
42	Note 2 - Wholly owned subsidiary of			
43	Black Hills Capital Group, Inc.			
44				
45	Note 3 - 51% owned subsidiary of			
46	Black Hills Fiber System, Inc.			
47				
48	Note 4 - Wholly owned subsidiary of			
49	Black Hills Energy Resources, Inc.			
50	TOTAL		37,447,326	100.00%

CORPORATE ALLOCATIONS

Year: 1999

	Items Allocated	Classification	Allocation Method	\$ to MT Utility	MT %	\$ to Other
1	NOT SIGNIFICANT TO					
2	MONTANA OPERATIONS					
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34	TOTAL					

**AFFILIATE TRANSACTIONS - PRODUCTS & SERVICES PROVIDED TO UTILITY**      Year: 1999

Line No.	(a) Affiliate Name	(b) Products & Services	(c) Method to Determine Price	(d) Charges to Utility	(e) % Total Affil. Revs.	(f) Charges to MT Utility
1	Wyodak Resources	Coal Sales to Utility	Fair Market Value	7,663,862	24.65%	41,882
2	Development Corp.		(Based on similar arms-length transactions)			
3						
4						
5	Daksoft, Inc.	Software Development and	Fair Market Value	1,230,742	39.13%	6,468
6		Computer Support	(Based on similar arms-length transactions)			
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32	<b>TOTAL</b>			8,894,604		48,350

Company Name: Black Hills Corporation

**SCHEDULE 7**

**AFFILIATE TRANSACTIONS - PRODUCTS & SERVICES PROVIDED BY UTILITY** Year: 1999

Line No.	(a) Affiliate Name	(b) Products & Services	(c) Method to Determine Price	(d) Charges to Affiliate	(e) % Total Affil. Exp.	(f) Revenues to MT Utility
1	Wyodak Resources	Electricity	Wyoming Industrial Rate	427,664	100.00%	
2	Development Corp.					
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32	<b>TOTAL</b>			<b>427,664</b>		



**MONTANA UTILITY INCOME STATEMENT**

Year: 1999

	Account Number & Title	Last Year	This Year	% Change
1	400 Operating Revenues	129,236,491	133,222,028	3.08%
2	Montana Revenues = \$677,944			
3	Operating Expenses			
4	401 Operation Expenses	52,904,009	52,579,954	-0.61%
5	402 Maintenance Expense	5,544,819	6,276,311	13.19%
6	403 Depreciation Expense	14,730,143	15,400,638	4.55%
7	404-405 Amortization of Electric Plant			
8	406 Amort. of Plant Acquisition Adjustments	151,404	151,404	
9	407 Amort. of Property Losses, Unrecovered Plant			
10	& Regulatory Study Costs			
11	408.1 Taxes Other Than Income Taxes	6,010,002	6,527,481	8.61%
12	409.1 Income Taxes - Federal	11,500,668	11,965,141	4.04%
13	- Other			
14	410.1 Provision for Deferred Income Taxes	1,611,304	972,906	-39.62%
15	411.1 (Less) Provision for Def. Inc. Taxes - Cr.			
16	411.4 Investment Tax Credit Adjustments	(500,291)	(491,724)	1.71%
17	411.6 (Less) Gains from Disposition of Utility Plant			
18	411.7 Losses from Disposition of Utility Plant			
19				
20	<b>TOTAL Utility Operating Expenses</b>	<b>91,952,058</b>	<b>93,382,111</b>	<b>1.56%</b>
21	<b>NET UTILITY OPERATING INCOME</b>	<b>37,284,433</b>	<b>39,839,917</b>	<b>6.85%</b>

**MONTANA REVENUES**

SCHEDULE 9

	Account Number & Title	Last Year	This Year	% Change
1	Sales of Electricity			
2	440 Residential	7,369	6,807	-7.63%
3	442 Commercial & Industrial - Small	50,390	44,421	-11.85%
4	Commercial & Industrial - Large	647,379	566,559	-12.48%
5	444 Public Street & Highway Lighting			
6	445 Other Sales to Public Authorities			
7	446 Sales to Railroads & Railways			
8	448 Interdepartmental Sales			
9				
10	<b>TOTAL Sales to Ultimate Consumers</b>	<b>705,138</b>	<b>617,787</b>	<b>-12.39%</b>
11	447 Sales for Resale			
12				
13	<b>TOTAL Sales of Electricity</b>	<b>705,138</b>	<b>617,787</b>	<b>-12.39%</b>
14	449.1 (Less) Provision for Rate Refunds			
15				
16	<b>TOTAL Revenue Net of Provision for Refunds</b>	<b>705,138</b>	<b>617,787</b>	<b>-12.39%</b>
17	Other Operating Revenues			
18	450 Forfeited Discounts & Late Payment Revenues	61	36	-40.98%
19	451 Miscellaneous Service Revenues	16	121	656.25%
20	453 Sales of Water & Water Power			
21	454 Rent From Electric Property	(2,500)	120,000	4900.00%
22	455 Interdepartmental Rents			
23	456 Other Electric Revenues			
24				
25	<b>TOTAL Other Operating Revenues</b>	<b>(2,423)</b>	<b>120,157</b>	<b>5059.02%</b>
26	<b>Total Electric Operating Revenues</b>	<b>702,715</b>	<b>737,944</b>	<b>5.01%</b>

**MONTANA OPERATION & MAINTENANCE EXPENSES**

Year: 1999

	Account Number & Title	Last Year	This Year	% Change
1	Power Production Expenses			
2				
3	Steam Power Generation			
4	Operation			
5	500 Operation Supervision & Engineering	1,023,096	1,088,277	6.37%
6	501 Fuel			
7	502 Steam Expenses	2,519,097	1,876,681	-25.50%
8	503 Steam from Other Sources			
9	504 (Less) Steam Transferred - Cr.			
10	505 Electric Expenses	740,522	665,531	-10.13%
11	506 Miscellaneous Steam Power Expenses	661,253	1,355,866	105.04%
12	507 Rents			
13				
14	TOTAL Operation - Steam	4,943,968	4,986,355	0.86%
15				
16	Maintenance			
17	510 Maintenance Supervision & Engineering	625,951	278,667	-55.48%
18	511 Maintenance of Structures	208,903	135,935	-34.93%
19	512 Maintenance of Boiler Plant	2,202,712	2,486,766	12.90%
20	513 Maintenance of Electric Plant	337,657	913,028	170.40%
21	514 Maintenance of Miscellaneous Steam Plant	398,289	502,253	26.10%
22				
23	TOTAL Maintenance - Steam	3,773,512	4,316,649	14.39%
24				
25	TOTAL Steam Power Production Expenses	8,717,480	9,303,004	6.72%
26				
27	Nuclear Power Generation			
28	Operation			
29	517 Operation Supervision & Engineering			
30	518 Nuclear Fuel Expense			
31	519 Coolants & Water			
32	520 Steam Expenses			
33	521 Steam from Other Sources			
34	522 (Less) Steam Transferred - Cr.			
35	523 Electric Expenses			
36	524 Miscellaneous Nuclear Power Expenses			
37	525 Rents			
38				
39	TOTAL Operation - Nuclear			
40				
41	Maintenance			
42	528 Maintenance Supervision & Engineering			
43	529 Maintenance of Structures			
44	530 Maintenance of Reactor Plant Equipment			
45	531 Maintenance of Electric Plant			
46	532 Maintenance of Miscellaneous Nuclear Plant			
47				
48	TOTAL Maintenance - Nuclear			
49				
50	TOTAL Nuclear Power Production Expenses			

**MONTANA OPERATION & MAINTENANCE EXPENSES**

Year: 1999

Account Number & Title		Last Year	This Year	% Change
1	Power Production Expenses -continued			
2	Hydraulic Power Generation			
3	Operation			
4	535 Operation Supervision & Engineering			
5	536 Water for Power			
6	537 Hydraulic Expenses			
7	538 Electric Expenses			
8	539 Miscellaneous Hydraulic Power Gen. Expenses			
9	540 Rents			
10				
11	TOTAL Operation - Hydraulic			
12				
13	Maintenance			
14	541 Maintenance Supervision & Engineering			
15	542 Maintenance of Structures			
16	543 Maint. of Reservoirs, Dams & Waterways			
17	544 Maintenance of Electric Plant			
18	545 Maintenance of Miscellaneous Hydro Plant			
19				
20	TOTAL Maintenance - Hydraulic			
21				
22	TOTAL Hydraulic Power Production Expenses			
23				
24	Other Power Generation			
25	Operation			
26	546 Operation Supervision & Engineering	2,119	2,012	-5.05%
27	547 Fuel	1,415,339	1,371,004	-3.13%
28	548 Generation Expenses	182,699	196,824	7.73%
29	549 Miscellaneous Other Power Gen. Expenses	2,479	2,083	-15.97%
30	550 Rents			
31				
32	TOTAL Operation - Other	1,602,636	1,571,923	-1.92%
33				
34	Maintenance			
35	551 Maintenance Supervision & Engineering	10,966	19,462	77.48%
36	552 Maintenance of Structures	10,565	33,242	214.64%
37	553 Maintenance of Generating & Electric Plant	117,154	329,563	181.31%
38	554 Maintenance of Misc. Other Power Gen. Plant	13,871	53,274	284.07%
39				
40	TOTAL Maintenance - Other	152,556	435,541	185.50%
41				
42	TOTAL Other Power Production Expenses	1,755,192	2,007,464	14.37%
43				
44	Other Power Supply Expenses			
45	555 Purchased Power			
46	556 System Control & Load Dispatching			
47	557 Other Expenses			
48				
49	TOTAL Other Power Supply Expenses			
50				
51	TOTAL Power Production Expenses	10,472,672	11,310,468	8.00%

**MONTANA OPERATION & MAINTENANCE EXPENSES**

Year: 1999

Account Number & Title		Last Year	This Year	% Change
1	Transmission Expenses			
2	Operation			
3	560 Operation Supervision & Engineering	254,924	266,975	4.73%
4	561 Load Dispatching	529,604	635,774	20.05%
5	562 Station Expenses	46,303	54,174	17.00%
6	563 Overhead Line Expenses	37,345	34,064	-8.79%
7	564 Underground Line Expenses			
8	565 Transmission of Electricity by Others	1,818,159	1,817,943	-0.01%
9	566 Miscellaneous Transmission Expenses	142,306	157,967	11.01%
10	567 Rents			
11				
12	TOTAL Operation - Transmission	2,828,641	2,966,897	4.89%
13	Maintenance			
14	568 Maintenance Supervision & Engineering	38,075	43,185	13.42%
15	569 Maintenance of Structures			
16	570 Maintenance of Station Equipment	97,650	69,339	-28.99%
17	571 Maintenance of Overhead Lines	130,999	121,366	-7.35%
18	572 Maintenance of Underground Lines			
19	573 Maintenance of Misc. Transmission Plant	1,577	23	-98.54%
20				
21	TOTAL Maintenance - Transmission	268,301	233,913	-12.82%
22				
23	TOTAL Transmission Expenses	3,096,942	3,200,810	3.35%
24				
25	Distribution Expenses			
26	Operation			
27	580 Operation Supervision & Engineering	339,406	347,728	2.45%
28	581 Load Dispatching	40,933	38,582	-5.74%
29	582 Station Expenses	176,016	215,768	22.58%
30	583 Overhead Line Expenses	479,670	450,016	-6.18%
31	584 Underground Line Expenses	131,977	181,847	37.79%
32	585 Street Lighting & Signal System Expenses	811	2,629	224.17%
33	586 Meter Expenses	329,196	301,541	-8.40%
34	587 Customer Installations Expenses	36,743	36,064	-1.85%
35	588 Miscellaneous Distribution Expenses	286,712	265,581	-7.37%
36	589 Rents	24,886	23,312	-6.32%
37				
38	TOTAL Operation - Distribution	1,846,350	1,863,068	0.91%
39	Maintenance			
40	590 Maintenance Supervision & Engineering	27,988	24,665	-11.87%
41	591 Maintenance of Structures			
42	592 Maintenance of Station Equipment	53,859	48,198	-10.51%
43	593 Maintenance of Overhead Lines	809,991	787,295	-2.80%
44	594 Maintenance of Underground Lines	90,013	123,507	37.21%
45	595 Maintenance of Line Transformers	27,317	5,723	-79.05%
46	596 Maintenance of Street Lighting, Signal Systems	99,096	92,128	-7.03%
47	597 Maintenance of Meters	40,107	33,781	-15.77%
48	598 Maintenance of Miscellaneous Dist. Plant	22,093	21,819	-1.24%
49				
50	TOTAL Maintenance - Distribution	1,170,464	1,137,116	-2.85%
51				
52	TOTAL Distribution Expenses	3,016,814	3,000,184	-0.55%

**MONTANA OPERATION & MAINTENANCE EXPENSES**

Year: 1999

Account Number & Title		Last Year	This Year	% Change
1	Customer Accounts Expenses			
2	Operation			
3	901 Supervision	111,426	68,548	-38.48%
4	902 Meter Reading Expenses	625,862	529,367	-15.42%
5	903 Customer Records & Collection Expenses	1,613,109	1,711,498	6.10%
6	904 Uncollectible Accounts Expenses	110,512	672,594	508.62%
7	905 Miscellaneous Customer Accounts Expenses	513,786	459,214	-10.62%
8				
9	TOTAL Customer Accounts Expenses	2,974,695	3,441,221	15.68%
10				
11	Customer Service & Information Expenses			
12	Operation			
13	907 Supervision	49,821	45,502	-8.67%
14	908 Customer Assistance Expenses	839,145	795,013	-5.26%
15	909 Informational & Instructional Adv. Expenses	1,554	1,162	-25.23%
16	910 Miscellaneous Customer Service & Info. Exp.	25,453	18,396	-27.73%
17				
18	TOTAL Customer Service & Info Expenses	915,973	860,073	-6.10%
19				
20	Sales Expenses			
21	Operation			
22	911 Supervision			
23	912 Demonstrating & Selling Expenses			
24	913 Advertising Expenses			
25	916 Miscellaneous Sales Expenses			
26				
27	TOTAL Sales Expenses			
28				
29	Administrative & General Expenses			
30	Operation			
31	920 Administrative & General Salaries	2,524,061	2,340,294	-7.28%
32	921 Office Supplies & Expenses	422,460	599,258	41.85%
33	922 (Less) Administrative Expenses Transferred - Cr.		(84,466)	#DIV/0!
34	923 Outside Services Employed	345,133	787,813	128.26%
35	924 Property Insurance	232,810	206,984	-11.09%
36	925 Injuries & Damages	510,576	482,273	-5.54%
37	926 Employee Pensions & Benefits	7,933	616,498	7671.31%
38	927 Franchise Requirements			
39	928 Regulatory Commission Expenses	166,738	121,265	-27.27%
40	929 (Less) Duplicate Charges - Cr.			
41	930.1 General Advertising Expenses	150,517	244,294	62.30%
42	930.2 Miscellaneous General Expenses	1,310,086	845,517	-35.46%
43	931 Rents	18,555	17,270	-6.93%
44				
45	TOTAL Operation - Admin. & General	5,688,869	6,177,000	8.58%
46	Maintenance			
47	935 Maintenance of General Plant	179,986	153,092	-14.94%
48				
49	TOTAL Administrative & General Expenses	5,868,855	6,330,092	7.86%
50				
51	TOTAL Operation & Maintenance Expenses	9,759,523	10,631,386	8.93%

## MONTANA TAXES OTHER THAN INCOME

Year: 1999

	Description of Tax	Last Year	This Year	% Change
1	Payroll Taxes			
2	Superfund			
3	Secretary of State			
4	Montana Consumer Counsel			
5	Montana PSC	2,160	1,089	-49.58%
6	Franchise Taxes			
7	Property Taxes	65,040	34,144	-47.50%
8	Tribal Taxes			
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51	TOTAL MT Taxes Other Than Income	67,200	35,233	-47.57%

## PAYMENTS FOR SERVICES TO PERSONS OTHER THAN EMPLOYEES

Year: 1999

	Name of Recipient	Nature of Service	Total Company	Montana	% Montana
1	AMOUNTS TO MONTANA OPERATIONS ARE NOT SIGNIFICANT				
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50	TOTAL Payments for Services				

**POLITICAL ACTION COMMITTEES / POLITICAL CONTRIBUTIONS** Year: 1999

	Description	Total Company	Montana	% Montana
1	NONE			
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50	<b>TOTAL Contributions</b>			



## Pension Costs

Year: 1999

1	Plan Name Pension Plan of Black Hills Corp.			
2	Defined Benefit Plan? _____ YES.		Defined Contribution Plan? _____ NO	
3	Actuarial Cost Method? _Project Unit Cost Method		IRS Code: _____ 401(B)	
4	Annual Contribution by Employer: _____ \$0		Is the Plan Over Funded? _____ YES	
5				
	Item	Current Year	Last Year	% Change
6	<b>Change in Benefit Obligation</b>			
7	Benefit obligation at beginning of year	33,703,062	28,365,668	-15.84%
8	Service cost	866,761	711,755	-17.88%
9	Interest Cost	2,164,194	2,063,679	-4.64%
10	Plan participants' contributions			
11	Amendments*	824,623		-100.00%
12	Actuarial Gain	(2,842,360)	4,173,337	246.83%
13	Acquisition			
14	Benefits paid	(1,681,996)	(1,611,377)	4.20%
15	Benefit obligation at end of year	33,034,284	33,703,062	2.02%
16	<b>Change in Plan Assets</b>			
17	Fair value of plan assets at beginning of year	35,361,517	35,225,441	-0.38%
18	Actual return on plan assets	10,615,846	1,747,453	-83.54%
19	Amendments*	(751,142)		100.00%
20	Employer contribution			
21	Plan participants' contributions			
22	Benefits paid	(1,681,996)	(1,611,377)	4.20%
23	Fair value of plan assets at end of year	43,544,225	35,361,517	-18.79%
24	<b>Funded Status</b>			
25	Unrecognized net actuarial loss	10,509,941	1,658,455	-84.22%
26	Unrecognized prior service cost	(10,298,004)	(317,940)	96.91%
27	Prepaid (accrued) benefit cost	1,955,143	332,485	-82.99%
28		2,167,080	1,673,000	-22.80%
29	<b>Weighted-average Assumptions as of Year End</b>			
30	Discount rate	0	0	11.11%
31	Expected return on plan assets	0	0	
32	Rate of compensation increase	0	0	
33				
34	<b>Components of Net Periodic Benefit Costs</b>			
35	Service cost	866,761	711,755	-17.88%
36	Interest cost	2,164,194	2,063,679	-4.64%
37	Expected return on plan assets	(3,540,662)	(3,609,427)	-1.94%
38	Amortization of prior service cost	78,140	78,140	
39	Recognized net actuarial loss	(62,513)	(298,406)	-377.35%
40	Net periodic benefit cost	(494,080)	(1,054,259)	-113.38%
41				
42	<b>Montana Intrastate Costs:</b>			
43	Pension Costs			
44	Pension Costs Capitalized			
45	Accumulated Pension Asset (Liability) at Year End			
46	<b>Number of Company Employees:</b>			
47	Covered by the Plan	513	511	-0.39%
48	Not Covered by the Plan	26	12	-53.85%
49	Active	273	275	0.73%
50	Retired	153	148	-3.27%
51	Deferred Vested Terminated	87	88	1.15%

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\* Transfer to subsidiary

751,142

\* Plan amendment

1,575,765

Year: 1999

## Other Post Employment Benefits (OPEBS)

	Item	Current Year	Last Year	% Change
1	<b>Regulatory Treatment:</b>			
2	Commission authorized - most recent			
3	Docket number: _____			
4	Order number: _____			
5	Amount recovered through rates			
6	<b>Weighted-average Assumptions as of Year End</b>			
7	Discount rate	7.50%	6.75%	-10.00%
8	Expected return on plan assets			
9	Medical Cost Inflation Rate	9.00%	9.00%	
10	Actuarial Cost Method	Projected Unit Cost	Projected Unit Cost	#VALUE!
11	Rate of compensation increase	5.00%	5.00%	
12	<b>List each method used to fund OPEBs (ie: VEBA, 401(h)) and if tax advantaged:</b>			
13				
14				
15	<b>Describe any Changes to the Benefit Plan:</b>			
16				
17	<b>TOTAL COMPANY</b>			
18	<b>Change in Benefit Obligation</b>			
19	Benefit obligation at beginning of year	2,400,554	2,141,236	-10.80%
20	Service cost	158,681	106,710	-32.75%
21	Interest Cost	290,142	241,965	-16.60%
22	Plan participants' contributions			
23	Amendments )Transfer to subsidiary)	(99,000)		100.00%
24	Actuarial Gain	124,084	99,505	-19.81%
25	Acquisition			
26	Benefits paid	(267,719)	(188,862)	29.46%
27	Benefit obligation at end of year	2,606,742	2,400,554	-7.91%
28	<b>Change in Plan Assets</b>			
29	Fair value of plan assets at beginning of year			
30	Actual return on plan assets			
31	Acquisition			
32	Employer contribution			
33	Plan participants' contributions			
34	Benefits paid			
35	Fair value of plan assets at end of year			
36	<b>Funded Status</b>	(2,606,742)	(2,400,554)	7.91%
37	Unrecognized net actuarial loss			
38	Unrecognized prior service cost			
39	Prepaid (accrued) benefit cost	(2,606,742)	(2,400,554)	7.91%
40	<b>Components of Net Periodic Benefit Costs</b>			
41	Service cost	158,681	106,710	-32.75%
42	Interest cost	290,142	241,965	-16.60%
43	Expected return on plan assets			
44	Amortization of prior service cost			
45	Recognized net actuarial loss	124,084	99,505	-19.81%
46	Net periodic benefit cost	572,907	448,180	-21.77%
47	<b>Accumulated Post Retirement Benefit Obligation</b>			
48	Amount Funded through VEBA			
49	Amount Funded through 401(h)			
50	Amount Funded through Other _____			
51	TOTAL			
52	Amount that was tax deductible - VEBA			
53	Amount that was tax deductible - 401(h)			
54	Amount that was tax deductible - Other _____			
55	TOTAL			

## Other Post Employment Benefits (OPEBS) Continued

Year: 1999

	Item	Current Year	Last Year	% Change
1	<b>Number of Company Employees:</b>			
2	Covered by the Plan	375	396	5.60%
3	Not Covered by the Plan			
4	Active	267	274	2.62%
5	Retired	108	122	12.96%
6	Spouses/Dependants covered by the Plan			
7	<b>Montana</b>			
8	<b>Change in Benefit Obligation</b>			
9	Benefit obligation at beginning of year			
10	Service cost			
11	Interest Cost			
12	Plan participants' contributions			
13	Amendments			
14	Actuarial Gain			
15	Acquisition			
16	Benefits paid			
17	Benefit obligation at end of year			
18	<b>Change in Plan Assets</b>			
19	Fair value of plan assets at beginning of year			
20	Actual return on plan assets			
21	Acquisition			
22	Employer contribution			
23	Plan participants' contributions			
24	Benefits paid			
25	Fair value of plan assets at end of year			
26	<b>Funded Status</b>			
27	Unrecognized net actuarial loss			
28	Unrecognized prior service cost			
29	Prepaid (accrued) benefit cost			
30	<b>Components of Net Periodic Benefit Costs</b>			
31	Service cost			
32	Interest cost			
33	Expected return on plan assets			
34	Amortization of prior service cost			
35	Recognized net actuarial loss			
36	Net periodic benefit cost			
37	<b>Accumulated Post Retirement Benefit Obligation</b>			
38	Amount Funded through VEBA			
39	Amount Funded through 401(h)			
40	Amount Funded through other _____			
41	TOTAL			
42	Amount that was tax deductible - VEBA			
43	Amount that was tax deductible - 401(h)			
44	Amount that was tax deductible - Other			
45	TOTAL			
46	<b>Montana Intrastate Costs:</b>			
47	Pension Costs			
48	Pension Costs Capitalized			
49	Accumulated Pension Asset (Liability) at Year End			
50	<b>Number of Montana Employees:</b>			
51	Covered by the Plan			
52	Not Covered by the Plan			
53	Active			
54	Retired			
55	Spouses/Dependants covered by the Plan			

**TOP TEN MONTANA COMPENSATED EMPLOYEES (ASSIGNED OR ALLOCATED)**

Line No.	Name/Title	Base Salary	Bonuses	Other	Total Compensation	Total Compensation Last Year	% Increase Total Compensation
1	N/A						
2							
3							
4							
5							
6							
7							
8							
9							
10							

## COMPENSATION OF TOP 5 CORPORATE EMPLOYEES - SEC INFORMATION

Line No.	Name/Title	Base Salary	Bonuses	Other	Total Compensation	Total Compensation Last Year	% Increase Total Compensation
1	Daniel P. Landguth Chairman, President and Chief Executive Officer of the Company and Subsidiaries	262,600	47,682	45,007	355,289	311,574	14%
2	Everett E. Hoyt President and Chief Operating Officer of Black Hills Power and Light Company	169,100	18,134	42,724	229,958	207,805	11%
3	Gary R. Fish President and Chief Operating Officer of Independent Energy	142,300	18,154	12,282	172,736	142,371	21%
4	Thomas M. Ohlmacher Vice President - Power Supply	126,500	12,824	23,705	163,029	138,782	17%
5	James M. Mattern Senior Vice President - Corporate Administration of the Company and Subsidiaries	116,200	11,970	20,459	148,629	129,421	15%

## BALANCE SHEET

Year: 1999

	Account Number & Title	Last Year	This Year	% Change
1	<b>Assets and Other Debits</b>			
2	<b>Utility Plant</b>			
3	101 Electric Plant in Service	492,953,212	498,329,796	-1%
4	101.1 Property Under Capital Leases			
5	102 Electric Plant Purchased or Sold			
6	104 Electric Plant Leased to Others			
7	105 Electric Plant Held for Future Use			
8	106 Completed Constr. Not Classified - Electric	4,598,264	6,881,063	-33%
9	107 Construction Work in Progress - Electric	4,832,991	22,800,032	-79%
10	108 (Less) Accumulated Depreciation	(174,984,272)	(184,386,624)	5%
11	111 (Less) Accumulated Amortization			
12	114 Electric Plant Acquisition Adjustments	4,870,308	4,870,308	0%
13	115 (Less) Accum. Amort. Elec. Acq. Adj.	(1,160,767)	(1,312,171)	12%
14	120 Nuclear Fuel (Net)			
15	<b>TOTAL Utility Plant</b>	<b>331,109,736</b>	<b>347,182,405</b>	<b>-5%</b>
16				
17	<b>Other Property &amp; Investments</b>			
18	121 Nonutility Property	5,618	5,618	0%
19	122 (Less) Accum. Depr. & Amort. for Nonutil. Prop.	(3,956)	(3,956)	0%
20	123 Investments in Associated Companies			
21	123.1 Investments in Subsidiary Companies	60,789,335	70,874,772	-14%
22	124 Other Investments	3,283,751	3,484,073	-6%
23	125 Sinking Funds			
24	<b>TOTAL Other Property &amp; Investments</b>	<b>64,074,748</b>	<b>74,360,507</b>	<b>-14%</b>
25				
26	<b>Current &amp; Accrued Assets</b>			
27	131 Cash	9,309,953	3,794,640	145%
28	132-134 Special Deposits			
29	135 Working Funds	3,300	3,300	
30	136 Temporary Cash Investments	10,191,115	5,344,561	91%
31	141 Notes Receivable	190,479	213,426	-11%
32	142 Customer Accounts Receivable	11,717,282	11,504,925	2%
33	143 Other Accounts Receivable	1,025,626	1,054,838	-3%
34	144 (Less) Accum. Provision for Uncollectible Accts.	(251,243)	(262,945)	4%
35	145 Notes Receivable - Associated Companies		52,645,775	-100%
36	146 Accounts Receivable - Associated Companies	802,210	8,509,345	-91%
37	151 Fuel Stock	561,739	649,715	-14%
38	152 Fuel Stock Expenses Undistributed			
39	153 Residuals			
40	154 Plant Materials and Operating Supplies	6,587,490	6,447,369	2%
41	155 Merchandise			
42	156 Other Material & Supplies	392	632	-38%
43	157 Nuclear Materials Held for Sale			
44	163 Stores Expense Undistributed	57,186	60,051	-5%
45	165 Prepayments	2,334,050	2,560,408	-9%
46	171 Interest & Dividends Receivable	179,797	91,079	97%
47	172 Rents Receivable			
48	173 Accrued Utility Revenues			
49	174 Miscellaneous Current & Accrued Assets			
50	<b>TOTAL Current &amp; Accrued Assets</b>	<b>42,709,376</b>	<b>92,617,119</b>	<b>-54%</b>

## BALANCE SHEET

Year: 1999

	Account Number & Title	Last Year	This Year	% Change
1				
2	<b>Assets and Other Debits (cont.)</b>			
3				
4	<b>Deferred Debits</b>			
5				
6	181 Unamortized Debt Expense	1,709,698	1,576,607	8%
7	182.1 Extraordinary Property Losses			
8	182.2 Unrecovered Plant & Regulatory Study Costs			
9	183 Prelim. Survey & Investigation Charges	8,044	324,149	-98%
10	184 Clearing Accounts	1,049,740	1,219,901	-14%
11	185 Temporary Facilities			
12	186 Miscellaneous Deferred Debits	485,769	335,597	45%
13	187 Deferred Losses from Disposition of Util. Plant			
14	188 Research, Devel. & Demonstration Expend.			
15	189 Unamortized Loss on Reacquired Debt	415,595	378,013	10%
16	190 Accumulated Deferred Income Taxes	9,841,330	9,822,503	0%
17	<b>TOTAL Deferred Debits</b>	13,510,177	13,656,770	-1%
18				
19	<b>TOTAL Assets &amp; Other Debits</b>	451,404,037	527,816,800	-14%
	Account Title	Last Year	This Year	% Change
20				
21	<b>Liabilities and Other Credits</b>			
22				
23	<b>Proprietary Capital</b>			
24				
25	201 Common Stock Issued	21,719,465	21,739,030	0%
26	202 Common Stock Subscribed			
27	204 Preferred Stock Issued			
28	205 Preferred Stock Subscribed			
29	207 Premium on Capital Stock	42,755,486	43,159,701	-1%
30	211 Miscellaneous Paid-In Capital			
31	213 (Less) Discount on Capital Stock			
32	214 (Less) Capital Stock Expense	(2,501,882)	(2,501,882)	0%
33	215 Appropriated Retained Earnings			
34	216 Unappropriated Retained Earnings	147,875,186	162,720,561	-9%
35	217 (Less) Reacquired Capital Stock			
36	<b>TOTAL Proprietary Capital</b>	209,848,255	225,117,410	-7%
37				
38	<b>Long Term Debt</b>			
39				
40	221 Bonds	136,005,137	134,674,946	1%
41	222 (Less) Reacquired Bonds			
42	223 Advances from Associated Companies			
43	224 Other Long Term Debt	27,355,000	27,355,000	
44	225 Unamortized Premium on Long Term Debt			
45	226 (Less) Unamort. Discount on L-Term Debt-Dr.			
46	<b>TOTAL Long Term Debt</b>	163,360,137	162,029,946	1%

**BALANCE SHEET**

Year: 1999

	Account Number & Title	Last Year	This Year	% Change
1				
2	<b>Total Liabilities and Other Credits (cont.)</b>			
3				
4	<b>Other Noncurrent Liabilities</b>			
5				
6	227 Obligations Under Cap. Leases - Noncurrent			
7	228.1 Accumulated Provision for Property Insurance			
8	228.2 Accumulated Provision for Injuries & Damages			
9	228.3 Accumulated Provision for Pensions & Benefits			
10	228.4 Accumulated Misc. Operating Provisions			
11	229 Accumulated Provision for Rate Refunds			
12	<b>TOTAL Other Noncurrent Liabilities</b>			
13				
14	<b>Current &amp; Accrued Liabilities</b>			
15				
16	231 Notes Payable		60,000,000	-100%
17	232 Accounts Payable	3,374,454	3,280,486	3%
18	233 Notes Payable to Associated Companies			
19	234 Accounts Payable to Associated Companies	124,412	158,130	-21%
20	235 Customer Deposits	406,229	431,736	-6%
21	236 Taxes Accrued	5,467,644	6,943,994	-21%
22	237 Interest Accrued	3,692,062	3,821,660	-3%
23	238 Dividends Declared			
24	239 Matured Long Term Debt			
25	240 Matured Interest			
26	241 Tax Collections Payable	380,136	441,203	-14%
27	242 Miscellaneous Current & Accrued Liabilities	2,768,260	2,793,244	-1%
28	243 Obligations Under Capital Leases - Current			
29	<b>TOTAL Current &amp; Accrued Liabilities</b>	16,213,197	77,870,453	-79%
30				
31	<b>Deferred Credits</b>			
32				
33	252 Customer Advances for Construction	643,167	794,682	-19%
34	253 Other Deferred Credits	11,875,310	11,876,015	0%
35	255 Accumulated Deferred Investment Tax Credits	3,513,717	3,021,993	16%
36	256 Deferred Gains from Disposition Of Util. Plant			
37	257 Unamortized Gain on Reacquired Debt			
38	281-283 Accumulated Deferred Income Taxes	45,950,254	47,106,301	-2%
39	<b>TOTAL Deferred Credits</b>	61,982,448	62,798,991	-1%
40				
41	<b>TOTAL LIABILITIES &amp; OTHER CREDITS</b>	451,404,037	527,816,800	-14%



## MONTANA PLANT IN SERVICE (ASSIGNED &amp; ALLOCATED)

Year: 1999

	Account Number & Title	Last Year	This Year	% Change
1				
2	<b>Intangible Plant</b>			
3				
4	301 Organization			
5	302 Franchises & Consents			
6	303 Miscellaneous Intangible Plant			
7				
8	<b>TOTAL Intangible Plant</b>			
9				
10	<b>Production Plant</b>			
11				
12	Steam Production			
13				
14	310 Land & Land Rights			
15	311 Structures & Improvements			
16	312 Boiler Plant Equipment			
17	313 Engines & Engine Driven Generators			
18	314 Turbogenerator Units			
19	315 Accessory Electric Equipment			
20	316 Miscellaneous Power Plant Equipment			
21				
22	<b>TOTAL Steam Production Plant</b>			
23				
24	Nuclear Production			
25				
26	320 Land & Land Rights			
27	321 Structures & Improvements			
28	322 Reactor Plant Equipment			
29	323 Turbogenerator Units			
30	324 Accessory Electric Equipment			
31	325 Miscellaneous Power Plant Equipment			
32				
33	<b>TOTAL Nuclear Production Plant</b>			
34				
35	Hydraulic Production			
36				
37	330 Land & Land Rights			
38	331 Structures & Improvements			
39	332 Reservoirs, Dams & Waterways			
40	333 Water Wheels, Turbines & Generators			
41	334 Accessory Electric Equipment			
42	335 Miscellaneous Power Plant Equipment			
43	336 Roads, Railroads & Bridges			
44				
45	<b>TOTAL Hydraulic Production Plant</b>			

**MONTANA PLANT IN SERVICE (ASSIGNED & ALLOCATED)**

Year: 1999

	Account Number & Title	Last Year	This Year	% Change
1				
2	Production Plant (cont.)			
3				
4	Other Production			
5				
6	340 Land & Land Rights			
7	341 Structures & Improvements			
8	342 Fuel Holders, Producers & Accessories			
9	343 Prime Movers			
10	344 Generators			
11	345 Accessory Electric Equipment			
12	346 Miscellaneous Power Plant Equipment			
13				
14	<b>TOTAL Other Production Plant</b>			
15				
16	<b>TOTAL Production Plant</b>			
17				
18	<b>Transmission Plant</b>			
19				
20	350 Land & Land Rights	20,312	20,312	
21	352 Structures & Improvements			
22	353 Station Equipment			
23	354 Towers & Fixtures			
24	355 Poles & Fixtures	244,889	244,889	
25	356 Overhead Conductors & Devices	300,274	300,274	
26	357 Underground Conduit			
27	358 Underground Conductors & Devices			
28	359 Roads & Trails			
29				
30	<b>TOTAL Transmission Plant</b>	565,475	565,475	
31				
32	<b>Distribution Plant</b>			
33				
34	360 Land & Land Rights	5,992	5,992	
35	361 Structures & Improvements	5,970	5,970	
36	362 Station Equipment	327,565	408,028	-20%
37	363 Storage Battery Equipment			
38	364 Poles, Towers & Fixtures	121,569	124,322	-2%
39	365 Overhead Conductors & Devices	110,502	112,990	-2%
40	366 Underground Conduit	909	909	
41	367 Underground Conductors & Devices	15,834	15,834	
42	368 Line Transformers	37,372	37,696	-1%
43	369 Services	3,383	3,436	-2%
44	370 Meters	6,277	6,278	0%
45	371 Installations on Customers' Premises			
46	372 Leased Property on Customers' Premises			
47	373 Street Lighting & Signal Systems			
48				
49	<b>TOTAL Distribution Plant</b>	635,373	721,456	

**MONTANA PLANT IN SERVICE (ASSIGNED & ALLOCATED)**

Year: 1999

	Account Number & Title	Last Year	This Year	% Change
1				
2	<b>General Plant</b>			
3				
4	389 Land & Land Rights			
5	390 Structures & Improvements			
6	391 Office Furniture & Equipment			
7	392 Transportation Equipment			
8	393 Stores Equipment			
9	394 Tools, Shop & Garage Equipment			
10	395 Laboratory Equipment			
11	396 Power Operated Equipment			
12	397 Communication Equipment	14,732	14,732	
13	398 Miscellaneous Equipment			
14	399 Other Tangible Property			
15				
16	<b>TOTAL General Plant</b>	14,732	14,732	
17				
18	<b>TOTAL Electric Plant in Service</b>	1,215,580	1,301,663	

## MONTANA DEPRECIATION SUMMARY

Year: 1999

	Functional Plant Classification	Plant Cost	Accumulated Depreciation		Current Avg. Rate
			Last Year Bal.	This Year Bal.	
1					
2	Steam Production				
3	Nuclear Production				
4	Hydraulic Production				
5	Other Production				
6	Transmission	565,475	182,282	184,940	2.12%
7	Distribution	721,456	195,592	230,285	2.78%
8	General	14,732	5,261	4,809	7.18%
9	<b>TOTAL</b>	<b>1,301,663</b>	<b>383,135</b>	<b>420,034</b>	<b>0</b>

## MONTANA MATERIALS &amp; SUPPLIES (ASSIGNED &amp; ALLOCATED)

SCHEDULE 21

	Account	Last Year Bal.	This Year Bal.	%Change
1				
2	151 Fuel Stock	N/A		#VALUE!
3	152 Fuel Stock Expenses Undistributed			
4	153 Residuals			
5	154 Plant Materials & Operating Supplies:			
6	Assigned to Construction (Estimated)			
7	Assigned to Operations & Maintenance			
8	Production Plant (Estimated)			
9	Transmission Plant (Estimated)			
10	Distribution Plant (Estimated)			
11	Assigned to Other			
12	155 Merchandise			
13	156 Other Materials & Supplies			
14	157 Nuclear Materials Held for Sale			
15	163 Stores Expense Undistributed			
16				
17	<b>TOTAL Materials &amp; Supplies</b>			

## MONTANA REGULATORY CAPITAL STRUCTURE &amp; COSTS

SCHEDULE 22

	Commission Accepted - Most Recent	% Cap. Str.	% Cost Rate	Weighted Cost
1	Docket Number 83.4.25			
2	Order Number 4988			
3				
4	Common Equity	52.83%	15.00%	7.92%
5	Preferred Stock	11.96%	9.03%	1.08%
6	Long Term Debt	35.21%	7.75%	2.73%
7	Other			
8	<b>TOTAL</b>	<b>100.00%</b>		<b>11.73%</b>
9				
10	Actual at Year End			
11				
12	Common Equity	58.15%		
13	Preferred Stock	41.85%		
14	Long Term Debt			
15	Other			
16	<b>TOTAL</b>	<b>100.00%</b>		

## STATEMENT OF CASH FLOWS

Year: 1999

	Description	Last Year	This Year	% Change
1				
2	Increase/(decrease) in Cash & Cash Equivalents:			
3				
4	<b>Cash Flows from Operating Activities:</b>			
5	Net Income	25,909,056	37,447,326	-31%
6	Depreciation	14,730,143	15,400,638	-4%
7	Amortization	367,368	151,404	143%
8	Deferred Income Taxes - Net	1,611,304	972,906	66%
9	Investment Tax Credit Adjustments - Net	(500,291)	(491,724)	-2%
10	Change in Operating Receivables - Net	(140,377)	(7,446,290)	98%
11	Change in Materials, Supplies & Inventories - Net	(598,557)	49,040	-1321%
12	Change in Operating Payables & Accrued Liabilities - Net	1,247,215	1,657,255	-25%
13	Allowance for Funds Used During Construction (AFUDC)	(130,684)	(114,974)	-14%
14	Change in Other Assets & Liabilities - Net	(1,304,125)	48,020	-2816%
15	Other Operating Activities (explained on attached page)	(1,083,884)	(10,085,437)	89%
16	<b>Net Cash Provided by/(Used in) Operating Activities</b>	<b>40,107,168</b>	<b>37,588,164</b>	<b>7%</b>
17				
18	<b>Cash Inflows/Outflows From Investment Activities:</b>			
19	Construction/Acquisition of Property, Plant and Equipment	(11,451,388)	(31,795,663)	64%
20	(net of AFUDC & Capital Lease Related Acquisitions)			
21	Acquisition of Other Noncurrent Assets			
22	Proceeds from Disposal of Noncurrent Assets		(52,646,000)	100%
23	Investments In and Advances to Affiliates			
24	Contributions and Advances from Affiliates			
25	Disposition of Investments in and Advances to Affiliates			
26	Other Investing Activities (explained on attached page)	(6,424,291)	4,846,555	-233%
27	<b>Net Cash Provided by/(Used in) Investing Activities</b>	<b>(17,875,679)</b>	<b>(79,595,108)</b>	<b>78%</b>
28				
29	<b>Cash Flows from Financing Activities:</b>			
30	Proceeds from Issuance of:			
31	Long-Term Debt			
32	Preferred Stock			
33	Common Stock	273,241	423,780	-36%
34	Other:			
35	Net Increase in Short-Term Debt		60,000,000	-100%
36	Other:			
37	Payment for Retirement of:			
38	Long-Term Debt	(1,330,729)	(1,330,191)	0%
39	Preferred Stock			
40	Common Stock			
41	Other:			
42	Net Decrease in Short-Term Debt			
43	Dividends on Preferred Stock			
44	Dividends on Common Stock	(21,736,911)	(22,601,958)	4%
45	Other Financing Activities (explained on attached page)			
46	<b>Net Cash Provided by (Used in) Financing Activities</b>	<b>(22,794,399)</b>	<b>36,491,631</b>	<b>-162%</b>
47				
48	<b>Net Increase/(Decrease) in Cash and Cash Equivalents</b>	<b>(562,910)</b>	<b>(5,515,313)</b>	<b>90%</b>
49	<b>Cash and Cash Equivalents at Beginning of Year</b>	<b>9,876,163</b>	<b>9,313,253</b>	<b>6%</b>
50	<b>Cash and Cash Equivalents at End of Year</b>	<b>9,313,253</b>	<b>3,797,940</b>	<b>145%</b>

## LONG TERM DEBT

Year: 1999

	Description	Issue Date Mo./Yr.	Maturity Date Mo./Yr.	Principal Amount	Net Proceeds	Outstanding Per Balance Sheet	Yield to Maturity	Annual Net Cost Inc. Prem/Disc.	Total Cost %
1	Series:								
2									
3	Y	Jun-88	Jun-18	6,000,000	5,906,578	5,420,000	9.64%	569,000	10.50%
4	Z	May-91	May-21	35,000,000	34,790,305	35,000,000	9.41%	3,273,000	9.35%
5	AA	Jun-91	Sep-03	13,806,000	13,656,287	4,254,946	9.10%	629,000	14.78%
6	AB	Sep-94	Sep-24	45,000,000	44,243,911	45,000,000	8.44%	3,735,000	8.30%
7	AC	Feb-95	Feb-10	30,000,000	29,766,300	30,000,000	8.12%	2,418,000	8.06%
8	AD	Jul-95	Jul-02	15,000,000	14,850,666	15,000,000	6.87%	975,000	6.50%
9									
10	1992 Pollution Control								
11	Revenue Bonds:								
12	Lawrence County SD	Jun-92	Jun-10	5,850,000	5,753,590	5,850,000	6.81%	392,000	6.70%
13	Pennington County SD	Jun-92	Jun-10	2,050,000	1,969,993	2,050,000	6.97%	137,000	6.68%
14	Campbell County WY	Jun-92	Jun-10	1,550,000	1,473,355	1,550,000	7.05%	104,000	6.71%
15	Weston County WY	Jun-92	Jun-10	2,850,000	2,770,414	2,850,000	6.89%	191,000	6.70%
16									
17									
18	1994A Environ Improv B.	Jun-94	Jun-24	3,000,000	2,930,057	2,855,000	4.35%	111,528	3.91%
19	1994 A Construction Fund								
20	1994 Gillette Refund Bo	Jul-94	Jun-24	12,200,000	11,888,427	12,200,000	7.70%	915,000	7.50%
21									
22									
23									
24									
25									
26									
27									
28									
29									
30									
31									
32	TOTAL			172,306,000	169,999,883	162,029,946		13,449,528	8.30%

**PREFERRED STOCK**

Year: 1999

	Series	Issue Date Mo./Yr.	Shares Issued	Par Value	Call Price	Net Proceeds	Cost of Money	Principal Outstanding	Annual Cost	Embed. Cost %
1										
2	N/A									
3										
4										
5										
6										
7										
8										
9										
10										
11										
12										
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29										
30										
31										
32	<b>TOTAL</b>									

## COMMON STOCK

Year: 1999

		Avg. Number of Shares Outstanding	Book Value Per Share	Earnings Per Share	Dividends Per Share	Retention Ratio	Market Price		Price/ Earnings Ratio
							High	Low	
1									
2									
3									
4	January	21,577,762	9.88						
5									
6	February	21,477,063	10.05						
7									
8	March	21,450,563	9.95	0.42	0.26		26.50	21.00	
9									
10	April	21,450,704	10.06						
11									
12	May	21,452,994	10.17						
13									
14	June	21,446,759	10.06	0.36	0.26		23.88	21.00	
15									
16	July	21,439,566	10.22						
17									
18	August	21,442,599	10.42						
19									
20	September	21,444,308	10.27	0.45	0.26		25.63	22.19	
21									
22	October	21,413,438	10.48						
23									
24	November	21,368,356	10.62						
25									
26	December	21,371,521	10.55	0.49	0.26		23.31	20.31	
27									
28									
29									
30									
31									
32	TOTAL Year End			1.729	1.04	39.85%	22.19		12.8



## MONTANA EARNED RATE OF RETURN

Year: 1999

	Description	Last Year	This Year	% Change
	Rate Base			
1				
2	101 Plant in Service			
3	108 (Less) Accumulated Depreciation			
4	<b>NET Plant in Service</b>			
5				
6	Additions			
7	154, 156 Materials & Supplies			
8	165 Prepayments			
9	Other Additions			
10	<b>TOTAL Additions</b>			
11				
12	Deductions			
13	190 Accumulated Deferred Income Taxes			
14	252 Customer Advances for Construction			
15	255 Accumulated Def. Investment Tax Credits			
16	Other Deductions			
17	<b>TOTAL Deductions</b>			
18	<b>TOTAL Rate Base</b>			
19				
20	<b>Net Earnings</b>			
21				
22	<b>Rate of Return on Average Rate Base</b>			
23				
24	<b>Rate of Return on Average Equity</b>			
25				
26	Major Normalizing Adjustments & Commission			
27	Ratemaking adjustments to Utility Operations			
28				
29	NOTE: This schedule is not completed because			
30	Montana revenues represent less than 1% of			
31	the Company's revenues.			
32				
33				
34				
35				
36				
37				
38				
39				
40				
41				
42				
43				
44				
45				
46				
47	<b>Adjusted Rate of Return on Average Rate Base</b>			
48				
49	<b>Adjusted Rate of Return on Average Equity</b>			

## MONTANA COMPOSITE STATISTICS

Year: 1999

	Description	Amount
1		
2	Plant (Intrastate Only) (000 Omitted)	
3		
4	101 Plant in Service	1,302
5	107 Construction Work in Progress	
6	114 Plant Acquisition Adjustments	
7	105 Plant Held for Future Use	
8	154, 156 Materials & Supplies	
9	(Less):	
10	108, 111 Depreciation & Amortization Reserves	(420)
11	252 Contributions in Aid of Construction	
12		
13	<b>NET BOOK COSTS</b>	<b>882</b>
14		
15	Revenues & Expenses (000 Omitted)	
16		
17	400 Operating Revenues	738
18		
19	403 - 407 Depreciation & Amortization Expenses	
20	Federal & State Income Taxes	
21	Other Taxes	
22	Other Operating Expenses	
23	TOTAL Operating Expenses	
24		
25	Net Operating Income	738
26		
27	415-421.1 Other Income	
28	421.2-426.5 Other Deductions	
29		
30	<b>NET INCOME</b>	<b>738</b>
31		
32	Customers (Intrastate Only)	
33		
34	Year End Average:	
35	Residential	13
36	Commercial	24
37	Industrial	2
38	Other	
39		
40	<b>TOTAL NUMBER OF CUSTOMERS</b>	<b>39</b>
41		
42	Other Statistics (Intrastate Only)	
43		
44	Average Annual Residential Use (Kwh))	7,353
45	Average Annual Residential Cost per (Kwh) (Cents) *	7.12
46	* Avg annual cost = [(cost per Kwh x annual use) + (mo. svc chrg x 12)]/annual use	
47	Average Residential Monthly Bill	43.63
48	Gross Plant per Customer	33,376

## MONTANA CUSTOMER INFORMATION

Year: 1999

	City/Town	Population (Include Rural)	Residential Customers	Commercial Customers	Industrial & Other Customers	Total Customers
1	Carter and Powder River Counties		13	24	2	39
2						
3						
4						
5						
6						
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28						
29						
30						
31						
32	<b>TOTAL Montana Customers</b>		13	24	2	39

MONTANA EMPLOYEE COUNTS

Year: 1999

	Department	Year Beginning	Year End	Average
1	N/A			
2				
3				
4				
5				
6				
7				
8				
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44				
45				
46				
47				
48				
49				
50	TOTAL Montana Employees			

MONTANA CONSTRUCTION BUDGET (ASSIGNED & ALLOCATED)

Year: 2000

	Project Description	Total Company	Total Montana
1	N/A		
2			
3			
4			
5			
6			
7			
8			
9			
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48			
49			
50	TOTAL		

## TOTAL SYSTEM &amp; MONTANA PEAK AND ENERGY

Year: 1999

		System				
		Peak Day of Month	Peak Hour	Peak Day Volumes Megawatts	Total Monthly Volumes Energy (Mwh)	Non-Requirements Sales For Resale (Mwh)
1	Jan.	6	1900	320	230,065	37,759
2	Feb.	10	1900	290	188,376	35,979
3	Mar.	11	900	282	204,995	37,751
4	Apr.	15	1000	273	166,233	21,454
5	May	10	1200	276	193,302	25,284
6	Jun.	21	1400	318	197,121	37,609
7	Jul.	28	1500	361	219,578	38,221
8	Aug.	10	1600	343	235,063	45,504
9	Sep.	1	1100	275	202,534	43,350
10	Oct.	28	800	273	197,895	34,845
11	Nov.	18	1800	301	210,489	50,362
12	Dec.	21	1800	327	207,476	37,594
13	<b>TOTAL</b>				2,453,127	445,712

		Montana				
		Peak Day of Month	Peak Hour	Peak Day Volumes Megawatts	Total Monthly Volumes Energy (Mwh)	Non-Requirements Sales For Resale (Mwh)
14	Jan.					
15	Feb.					
16	Mar.					
17	Apr.					
18	May	*Peak information maintained on a total system basis only				
19	Jun.					
20	Jul.					
21	Aug.					
22	Sep.					
23	Oct.					
24	Nov.					
25	Dec.					
26	<b>TOTAL</b>					

## TOTAL SYSTEM Sources &amp; Disposition of Energy

SCHEDULE 33

	Sources	Megawatthours	Disposition	Megawatthours
1	Generation (Net of Station Use)	1,802,583		
2	Steam		Sales to Ultimate Consumers (Include Interdepartmental)	1,501,806
3	Nuclear			
4	Hydro - Conventional			
5	Hydro - Pumped Storage		Requirements Sales for Resale	418,199
6	Other	25,882		
7	(Less) Energy for Pumping			
8	<b>NET Generation</b>	1,828,465	Non-Requirements Sales for Resale	445,712
9	Purchases	617,644		
10	Power Exchanges			
11	Received	32,997	Energy Furnished Without Charge	
12	Delivered	(28,821)		
13	<b>NET Exchanges</b>	4,176		
14	Transmission Wheeling for Others		Energy Used Within Electric Utility	6,549
15	Received	1,444,903		
16	Delivered	(1,442,061)		
17	<b>NET Transmission Wheeling</b>	2,842	Total Energy Losses	80,861
18	Transmission by Others Losses			
19	<b>TOTAL</b>	2,453,127	<b>TOTAL</b>	2,453,127

## SOURCES OF ELECTRIC SUPPLY

Year: 1999

	Type	Plant Name	Location	Annual Peak (MW)	Annual Energy (Mwh)
1	Thermal	Ben French	Rapid City, SD	98	25,522
2					
3	Thermal	Ben French	Rapid City, SD	10	360
4					
5	Thermal	Ben French	Rapid City, SD	24	140,100
6					
7	Thermal	Osage	Osage, WY	35	242,417
8					
9	Thermal	Wyodak	Gillette, WY	69	563,814
10					
11	Thermal	Neil Simpson Co	Gillette, WY	112	856,252
12					
13	Purchases	See Schedule 34 A			617,644
14					
15	Wheeling	See Schedule 34 B			2,842
16					
17	Total Interchange				4,176
18					
19					
20					
21					
22					
23					
24					
25					
26					
27					
28					
29					
30					
31					
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38					
39					
40					
41					
42					
43					
44					
45					
46					
47					
48					
49	Total			348	2,453,127

Name of Respondent Black Hills Corporation		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		Date of Report (Mo, Da, Yr) / /		Year of Report Dec. 31, 1999	
ELECTRIC ENERGY ACCOUNT							
Report below the information called for concerning the disposition of electric energy generated, purchased, exchanged and wheeled during the year.							
Line No.	Item (a)	MegaWatt Hours (b)	Line No.	Item (a)	MegaWatt Hours (b)		
1	SOURCES OF ENERGY		21	DISPOSITION OF ENERGY			
2	Generation (Excluding Station Use):		22	Sales to Ultimate Consumers (Including Interdepartmental Sales)	1,501,806		
3	Steam	1,802,583	23	Requirements Sales for Resale (See instruction 4, page 311.)	418,199		
4	Nuclear		24	Non-Requirements Sales for Resale (See instruction 4, page 311.)	445,712		
5	Hydro-Conventional		25	Energy Furnished Without Charge			
6	Hydro-Pumped Storage		26	Energy Used by the Company (Electric Dept Only, Excluding Station Use)	6,549		
7	Other	25,882	27	Total Energy Losses	80,861		
8	Less Energy for Pumping		28	TOTAL (Enter Total of Lines 22 Through 27) (MUST EQUAL LINE 20)	2,453,127		
9	Net Generation (Enter Total of lines 3 through 8)	1,828,465					
10	Purchases	A 617,844					
11	Power Exchanges:						
12	Received	32,997					
13	Delivered	28,821					
14	Net Exchanges (Line 12 minus line 13)	4,176					
15	Transmission For Other (Wheeling)						
16	Received	1,444,903					
17	Delivered	1,442,061					
18	Net Transmission for Other (Line 16 minus line 17)	B 2,842					
19	Transmission By Others Losses						
20	TOTAL (Enter Total of lines 9, 10, 14, 18 and 19)	2,453,127					



Company Name: Black Hills Corporation

**SCHEDULE 35**

**MONTANA CONSERVATION & DEMAND SIDE MANAGEMENT PROGRAMS**

Year: 1999

	Program Description	Current Year Expenditures	Last Year Expenditures	% Change	Planned Savings (MW & MWH)	Achieved Savings (MW & MWH)	Difference (MW & MWH)
1	N/A						
2							
3							
4							
5							
6							
7							
8							
9							
10							
11							
12							
13							
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21							
22							
23							
24							
25							
26							
27							
28							
29							
30							
31							
32	<b>TOTAL</b>						

## MONTANA CONSUMPTION AND REVENUES

Year: 1999

	Sales of Electricity	Operating Revenues		MegaWatt Hours Sold		Avg. No. of Customers	
		Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year
1	Residential	\$6,807	\$7,369	96	102	13	13
2	Commercial - Small	44,421	50,390	499	565	24	27
3	Commercial - Large	566,559	647,379	12,334	13,043	2	2
4	Industrial - Small						
5	Industrial - Large						
6	Interruptible Industrial						
7	Public Street & Highway Lighting						
8	Other Sales to Public Authorities						
9	Sales to Cooperatives						
10	Sales to Other Utilities						
11	Interdepartmental						
12							
13	<b>TOTAL</b>	<b>\$617,787</b>	<b>\$705,138</b>	<b>12,929</b>	<b>13,710</b>	<b>39</b>	<b>42</b>